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UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

SAN JOSE DIVISION

In re ACACIA MEDIA TECHNOLOGIES CORPORATION	Case No. 05-CV-1114 JW **ECHOSTAR'S OPPOSITION TO ACACIA'S MOTION RE EXCLUSION OF DECLARATIONS OF DR. LIPPMAN** Date: September 8-9, 2005 Time: 9:00 a.m. Courtroom 8 Hon. James Ware

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INTRODUCTION

At the hearing conducted on September 8-9, 2005, defendants stated that they would not call Dr. Lippman to testify live but would instead rely on his declarations. Acacia's counsel initially objected to the fact that he would be unable to cross-examine Dr. Lippman but later requested permission to submit a supplemental paper describing supposed highlights from Dr. Lippman's deposition. Defendants did not object to this additional paper or to the use of the deposition, and Acacia's counsel agreed that this procedure would "suffice." Now, having reviewed the deposition transcript, Acacia has reversed course and moved to exclude Dr. Lippman's testimony on the basis it disclaimed at the hearing. None of Acacia's arguments provides a basis for excluding Dr. Lippman's declarations.

BACKGROUND

Dr. Andrew Lippman is a senior research scientist at the MIT Media Laboratory. He has broad and extensive experience in the video communications field. Dr. Lippman was retained by counsel for defendant DIRECTV and submitted two declarations in connection with the claim construction proceedings in this case, a first declaration in support of DIRECTV's motion to reconsider the Court's construction of the term "transceiver" and a second declaration in support of defendants' opposition to Acacia's motion to reconsider (*i.e.*, regarding "identification encoder" and "sequence encoder").[1] Both declarations were served on Acacia and counsel for Acacia deposed Dr. Lippman in Los Angeles on August 31, 2005. Dr. Lippman's deposition was brief — Acacia elected to end the deposition at 1:26 p.m.

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[1] EchoStar joined DIRECTV's motion and filed an opposition to Acacia's motion to reconsider. Both of EchoStar's briefs cited to one of the two declarations submitted by Dr. Lippman. Comcast, joined by several other defendants, also filed an opposition to Acacia's motion for reconsideration, citing Dr. Lippman's declaration on "sequence encoder" and "identification encoder." The following defendants join this opposition: Comcast, DIRECTV, Coxcom, Inc., Hospitality Networks, Armstrong Group, Block Communications, Inc. (dba Buckeye Cable), Wide Open West Ohio LLC, East Cleveland Cable TV and Communications, LLC, Charter Communications, Inc., Massillon Cable TV, Inc., Mid-Continent Media, Inc., US Cable Holdings LP, Savage Communications, Inc., Sjoberg's Cablevision, Inc., Loretel Cablevision, Arvig Communications Systems, Cannon Valley Communications, Inc., NPG Cable, Inc., Mediacom Communications Corporation, Cable One, Inc., and Cequel III Communications I, LLC (d/b/a Cebridge Connections).

Acacia's original papers in support of its motion for reconsideration relied on the declarations of its two experts. Although Acacia had indicated that it would call these two experts, Mr. Weiss and Dr. Alexander, Acacia decided to call solely Mr. Weiss at the hearing.[2] After the first day of testimony by Mr. Weiss, counsel for defendants elected not to call Dr. Lippman and to rely on Dr. Lippman's declarations and present argument to the Court, rather than additional expert testimony. Counsel for DIRECTV stated:

> Because Mr. Weiss did not really go beyond his declaration, and in view of the fact that Dr. Alexander did not appear in person, we are simply going to rely on the declaration of Dr. Lippman in support of our position on transceiver and in opposition to Acacia's position on sequence encoder and time encoder.

Tr. at 248. Counsel for Acacia stated its position that Dr. Lippman's declarations were "hearsay documents." *Id*. Acacia also stated that it had a number of questions for Dr. Lippman that, in its view, would be "important" to the Court. *Id*. at 249. However, Acacia recognized that the declarations had already been submitted without opposition in connection with the motion papers and that the Court had already read them. *Id*. at 250.

Nevertheless, Acacia wanted the Court to get the "remainder of the picture" regarding Dr. Lippman, supposedly because it related to the "quality and weight" of the evidence. *Id*. (At no point did Acacia suggest that it would make a motion to strike Dr. Lippman's declaration. To the contrary, Acacia stated that its submission regarding Dr. Lippman's deposition testimony would go to the "weight" of the declarations.) Thus, Acacia asked for permission to file an additional document with the Court, saying "I think that would suffice." *Id*. at 251. Defendants did not object to this additional filing, and the Court agreed to allow Acacia to file such a document. *Id*. at 250-51. The parties then moved on to arguments regarding the disputed terms.

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[2] *See* Acacia Br. [Dkt. No. 59] at 16 n.11 ("At the evidentiary hearing on September 8 and 9, Acacia shall present the expert testimony of Mr. S. Merrill Weiss and Dr. Peter Alexander, both of whom … will testify that … one of ordinary skill in the art … would have understood the meaning of 'sequence encoder' in January 1991 to be a time encoder. The substance of Mr. Weiss' and Dr. Alexander's testimony is substantially contained in their declarations which Acacia filed on October 20, 2004 in the Central District of California litigation in connection with Acacia's opposition to defendants' motion for summary judgment.").

On September 28, 2005, Acacia did not file the "brief description" and "excerpts" from the Lippman deposition that it had specifically requested at the hearing. Rather, it filed a motion to exclude as "hearsay" the declarations of Dr. Lippman.

ARGUMENT

Acacia makes two arguments: (1) the declarations should be excluded as hearsay; and (2) if not excluded, the Court should give no weight to Dr. Lippman's opinions regarding "sequence encoder" and "identification encoder." This response addresses only the first issue. Acacia's arguments with respect to the second issue are notable only for Acacia's concession that the Court is not assisted by an expert who does "nothing more than quote from the patent specification and state his understanding as to what he understood from these passages" (Acacia Br. at 7) — which is a concise yet complete description of the hours of testimony this Court heard from Acacia's expert, Mr. Weiss.

Acacia argues that the declarations are hearsay and should be excluded on that ground alone. Acacia is wrong. Courts routinely rely on expert declarations during claim construction proceedings, which are often conducted on the papers and without a hearing. It is well-established that claim construction is a matter of law for the Court and that the Court may, under certain circumstances, consider appropriate extrinsic evidence, such as treatises, dictionaries, and expert opinion, in order to educate itself as to the technology at issue. *See, e.g., Phillips v. AWH Corp.*, 415 F.3d 1303, 1324-25 (Fed. Cir. 2005) (en banc).

Dr. Lippman submitted two comprehensive declarations in connection with defendants' oppositions to Acacia's motion to reconsider and DIRECTV's motion to reconsider.
Dr. Lippman was also deposed by Acacia. Acacia cites no case holding that an expert claim construction declaration should be excluded as hearsay under any circumstances, let alone in circumstances where the party had a full and complete opportunity to depose the expert and present that testimony to the Court. Indeed, it is commonplace for district courts to consider expert declarations during the claim construction process. *See, e.g., Novartis Pharmaceuticals Corp. v. Eon Labs Mfg., Inc.*, 363 F.3d 1306, 1307 (Fed. Cir. 2004) ("After reviewing the parties' claim construction briefs and expert declarations, the district court issued an order construing the

claims…"); *Omega Eng'g, Inc. v. Raytek Corp.*, 334 F.3d 1314, 1332 (Fed. Cir. 2003) ("expert testimony and declarations are useful to confirm that the construed meaning is consistent with the denotation ascribed by those in the field of the art."); *Genentech, Inc. v. Amgen, Inc.*, 289 F.3d 761, 769-70 (Fed. Cir. 2002) (quoting expert declarations regarding claim construction). Acacia has cited no cases that require a district court to exclude relevant expert evidence on the ground that it was submitted as a sworn declaration rather than as live testimony. Nor has Acacia pointed to any claim construction cases holding that a Court *must* hold a live hearing if the parties submit expert declarations.

Moreover, the Lippman declarations are not hearsay under Federal Rule of Civil Procedure 43(e), which states: "When a motion is based on facts not appearing of record the court may hear the matter on affidavits presented by the respective parties, but the court may direct that the matter be heard wholly or partly on oral testimony or deposition." Fed. R. Civ. P. 43(e). Pursuant to Federal Rule of Evidence 802, it is clear that Rule 43(e) is an exception to the hearsay rule. As the court noted in *Prevot v. Phillips Petroleum Co.*, 133 F. Supp. 2d 937, 941 n.2 (S.D. Tex. 2001), the argument that declarations submitted in connection with motions are hearsay is "absurd…. The Court's business would come to a screeching halt if it could not consider affidavits accompanying motions." *Id.*

Even if the Lippman declarations could be considered hearsay, Dr. Lippman's testimony is contained in declarations submitted under penalty of perjury and he has been deposed by Acacia. Thus, the testimony has sufficient circumstantial guarantees of trustworthiness and should be admitted under Federal Rule of Evidence 807. Additionally, as the Court indicated at the hearing, the declarations were submitted months ago (in July and August) and have already been considered by the Court, without any objection from Acacia. Thus, Acacia has waived any objection to the declarations that it might have had.

CONCLUSION

For the reasons set forth above, Acacia's motion to exclude Dr. Lippman's declarations should be denied.

Dated: October 7, 2005

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